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(80-192)  
#76

March 2, 1981

Mr. John F. Pearson, Jr.  
Department of Energy  
Oak Ridge Operations  
Post Office Box E  
Oak Ridge, TN 37830

Re: 4-2-80-192

Dear Mr. Pearson:

This is in response to your letter of November 20, 1980, received November 26, 1980, requesting formal Section 7 consultation under the Endangered Species Act of 1973, as amended, for the proposed construction of the Solvent Refined Coal-I Demonstration project in Daviess County, Kentucky. This Biological Opinion addresses the impacts of construction and operation of the demonstration facility on the endangered Indiana bat (*Myotis sodalis*). Our analysis does not address the impacts of the expansion of the demonstration facility to a commercial operation, nor does it address the construction impacts of the power transmission line which will be required for the project. This letter presents the Biological Opinion of the U.S. Fish and Wildlife Service and was prepared in accordance with the Section 7 Interagency Cooperative Regulations (50 C.F.R. 402.43 FR 270).

We have reviewed the biological information provided by you, the survey report prepared by Dr. H. Harvey, and other information in our files which is applicable to this project. The Indiana/Gray Bat Recovery Team reviewed and commented on the adequacy of your biological assessment. Copies of or references to pertinent documents are contained in the Administrative Record for this consultation which is maintained in this office.

It is the Biological Opinion of the Fish and Wildlife Service that the construction and operation of the SRC-I demonstration plant and its cumulative impacts will not jeopardize the continued existence of the endangered Indiana bat.

This consultation concerns the construction of a demonstration solvent refined coal project in Newman, Daviess County, Kentucky, by the Department of Energy in cooperation with the International Coal and Refining Company. During the demonstration phase of the project's operation, the proposed plant will process 6,000 tons of coal per day. Should the process be commercially feasible, the plant may be expanded to a 30,000 ton per day

plant in the future. Current project plans call for the construction of coal barge unloading facilities on the Green River and plant processing units in the upland portions of the 1,484 acre site. None of the construction activities planned for the demonstration project will directly effect the bottomland hardwood forest found along the west side of Martin Creek. Indirect impacts on this area from site preparation will be minimized by carefully controlling erosion from the disturbed soil surfaces.

The biological assessment submitted for this project adequately reviews the biology of the Indiana bat both in general terms and in relation to the proposed project. The presence of a maternity colony of Indiana bats in the area adjacent to Martin Creek has not been documented. However, this area contains habitat which is suitable for summer use by the Indiana bat and during the survey performed in July and August, 1980, several mature female Indiana bats were captured on the site. In order to complete Endangered Species review in a timely manner, the Department of Energy made the assumption that the Martin Creek forest does support a maternity colony of Indiana bats. The analysis of project impacts is performed from this perspective in the biological assessment. The Department of Energy plans to continue their studies of Indiana bat use of the site during the spring and summer of 1981.

The Department of Energy has made a commitment to preserve the character and biological integrity of the Martin Creek bottomland hardwood forest located within the site boundaries. This will provide protection for the suitable Indiana bat habitat found on the west side of Martin Creek. We recommend as a conservation enhancement measure that the Department of Energy, through acquisition of the timber rights, provide for the protection of the suitable habitat found on the east side of Martin Creek. Based upon the information currently available, protection of this area would constitute an action on the part of the Department of Energy which would enhance the status of the Indiana bat. Such action would be in keeping with the directive in Section 7(a) of the Endangered Species Act, as amended, to Federal agencies to "utilize their authorities in furtherance of the purposes of this Act by carrying out programs for the conservation of endangered species . . ."

The Department of Energy is reminded of its continuing responsibility to review its activities and programs in light of Section 7 and to reinstitute this consultation if:

1. New information becomes available which indicates that the proposed action may have additional impacts on listed species;
2. The action as described is modified; or,
3. Additional species are listed which may be affected by the proposed action.

We appreciate the conscientious manner in which the Department of Energy has met its endangered species responsibilities on this project and look forward to continued cooperation in meeting our mutual responsibilities under this Act.

Sincerely yours,

**/s/ William C. Hickling**

William C. Hickling  
Area Manager

cc: Director, Fish and Wildlife Service, Washington, DC (AFA/OES)  
Regional Director, Fish and Wildlife Service, Atlanta, GA (AFA/SE)  
Field Supervisor, Ecological Services, Fish and Wildlife Service,  
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